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VISA U.S.A. INC.

BOARD OF DIRECTORS MEETING

Pebble Beach, California
February 12, 1999

EXECUTIVE SUMMARY

Visa Partnership Program

The Board reviewed concepts for the Visa Partnership Program at the October Meeting. The Program creates an optional Membership status for those Members who commit to issuing and remaining predominantly Visa for an extended period. Visa provides discounts on Issuer Service Fees, Acquirer Service Fees and Transaction Switching Fees in return for this commitment. Participating Members will deduct the discounts from fees due with the quarterly operating certificate.

The program is intended to reduce the need for Member incentives to protect volume and market share. The program provides an assurance to Members of long-term benefits for demonstrating a preference for Visa instead of short-term gains from shopping current brand decisions between the two associations.

EXHIBIT I outlines the Principles for the Visa Partnership Program.

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Victor W. Dahir

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EXHIBIT I

Visa Partnership Program Principles

Eligibility:

1. Any Charter or Non-Charter Principal Issuing Member of Visa who files an Operating Certificate is eligible to join the program. Associate, Credit Participant, Debit Participant and Affiliate Members of a holding company that has elected to file a single operating certificate may participate in the program if the Principal Member who files the certificate on their behalf, or who sponsors them, participates.
2. Principal Members must own each merchant contract and / or own at least 50% of the acquiring entity that owns each merchant contract for the merchant's volume to be included in the calculation of the Acquirer Service Fee Discount.
3. A Member must submit a Member Commitment Document by Dec. 31, 2000, to participate in the program.
4. Program begins with the quarter starting on April 1, 1999, and first applies to volume for the quarter ending June 30, 1999, filed on Operating Certificates due July 15, 1999.

Requirements:

1. Participating Members must agree to have a minimum of 90% of their total credit card sales volume generated on Visa cards.
2. Participating Principal Members must agree to have 100% of their debit card sales volume generated on Visa cards.
3. Participating Principal Members must agree to have a minimum of 90% of the debit sales volume of their Associate and Sponsored Members be generated on Visa Debit Cards.
4. Participating Members must process all their Visa transactions through VisaNet.
5. Solicitations for new bankcard credit card accounts must not be in connection with MasterCard credit cards during the conversion period until the Member reaches the required 90% ratio of Visa to MasterCard volume.
6. Participating Members must commit to the program for at least five years followed by automatic one year extensions unless Visa is notified otherwise.
7. If a Participating Member's credit or debit volume does not immediately meet the conditions above, the Participating Member must provide a mutually acceptable Conversion Plan that will permit the Participating Member to reach these requirements. The conversion must begin within

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the first year of the agreement and be completed within three years of the commitment date.

Benefits:

1. Participating Members will receive a discount on the following Fees:
Issuer Service Fee
Acquirer Service Fee
VisaNet Transaction Fee
2. Participating Members are eligible to take the discount starting in the quarter when the planned card conversion begins.
3. Discount will be netted against existing agreements, subsidies, promotions and other fee waivers. Participating Members will deduct the netted discount amount from the amount of fees owed to Visa on their Operating Certificates.
4. A Participating Member's Issuer Service Fee discount will be the difference between Service Fee amounts calculated using the Standard Issuer Service Fee Rate schedule and the Visa Partnership Service Fee Rate schedule.
5. A Participating Member's Acquirer Service Fee discount will be calculated on the lower of the Member's Issuing and Acquiring sales volume.
6. A Participating Member's transaction fee discount will be calculated on transactions cleared through VisaNet for activity over sixty million transactions per calendar quarter.
7. Participating Members will use the Visa Partnership Fee schedule shown below to calculate the discount.

Visa Partnership Fee Schedule:

Issuer Service Fee Rates:

\$ Millions

<u>Tier</u>	<u>Volume</u>	<u>Cumulative Volume</u>	<u>Standard Rate</u>	<u>Visa Partnership Rate</u>
1	237	237	0.0690%	0.0650%
2	714	951	0.0587%	0.0553%
3	951	1,902	0.0483%	0.0455%
4	951	2,853	0.0380%	0.0358%
5	951	3,804	0.0276%	0.0260%
6	remaining		0.0276%	0.0163%

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Volume is indexed annually and is the same as the standard Issuer Service Fee rate schedule.

Acquirer Service Fee Discount: 0.02%

VisaNet Transaction Fee Discount: \$0.005 per transaction.

Other Provisions:

1. Upon completion of a merger or acquisition, a Participating Member must, within 90 days, amend its existing Commitment Document with a mutually agreed Conversion Plan for the acquired or merged portfolio or continue to treat the portfolios separately from its Commitment Document or Conversion Plan, even if a combined Operating Certificate is filed.
2. If a Participating Member has a portfolio that is treated separately from the partnership agreement then the acquired or merged portfolio must operate separately and maintain or exceed the Visa to MasterCard ratio present at the time of acquisition. No discounts can be taken on portfolios that are treated separately.
3. In the event that a Participating portfolio is acquired by a Non-Participating Member, all benefits of the program cease for any Operating Certificate filed after the effective date of the merger or acquisition.
4. A Participating Member that terminates the agreement before the end of its initial five year term ("Early Termination") must return all discounts received under the program during the most recent two years plus interest at the then-current prime rate less one percent.
5. A Participating Member that falls behind on its Conversion Plan or otherwise fails to meet the terms of this program for two consecutive quarters will be considered "Non-Compliant". The discount may not be taken for the second Quarter. The discount resumes after the Participating Member is current on its Conversion Plan or meets the terms of the program.
6. A Participating Member that falls behind on its Conversion or otherwise fails to meet the terms of this program for three consecutive quarters during the initial five year period will be considered to have chosen "Early Termination".
7. A Participating Member that fails to meet the Requirements for three consecutive quarters after the initial five year period will be considered to have chosen "Termination".

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8. A Participating Member or Visa can terminate participation in the program after the initial five year period by notifying the other party of its intent to terminate participation in the program.
9. Participating Members that terminate participation in the program after the initial five year period must return all discounts obtained during the current renewal period plus interest at the then-current prime rate less one percent.
10. No penalty is assessed for termination at renewal time.